

Exhibit 300: Part I: Summary Information and Justification (All Capital Assets)

I.A. Overview

1. Date of Submission:	8/14/2006
2. Agency:	Department of State
3. Bureau:	A/OPR/ALS Office of Allowances
4. Name of this Capital Asset:	A/OPR E-Allowances
5. Unique Project (Investment) Identifier: (For IT investment only, see section 53. For all other, use agency ID system.)	014-00-01-02-01-1464-00
6. What kind of investment will this be in FY2008? (Please NOTE: Investments moving to O&M ONLY in FY2008, with Planning / Acquisition activities prior to FY2008 should not select O&M. These investments should indicate their current status.)	Mixed Life Cycle
7. What was the first budget year this investment was submitted to OMB?	FY2004
8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap: The purpose of the eAllowances project is to improve the business performance of the allowances processes that support the 80,000 overseas employees of the Department of State and the 40 other USG agencies. ALS is replacing an archaic system (over 10 years old) that requires costly work-arounds and a large number of manual calculations. The system will greatly shorten the cycle time required for the government, U.S. citizens, and private industry to receive accurate allowance information. As a result of these benefits, the project has a projected positive ROI. The benefit of the new system is recognized by senior management, approved by the DoS EGovPMO, and is listed as the top priority IT project in the Bureau of Administration. The objectives of the project are to expedite data collection and analysis, eliminate redundant processing, duplicative data entry and off-line processing, implement modern, flexible analytical tools, reduce processing and cycle time, provide appropriate and efficient online data access to stakeholders, provide more efficient data dissemination, streamline business processes, to include the submission and verification process through the use of electronic data transmission/verification, integrate allowance data and information more effectively, increase customer/stakeholder satisfaction, and automate procedures to measure performance. The system is being implemented in two phases. The first phase (Per Diem) was deployed in January 2006. The second phase, which will provide the remaining four allowances (Living Quarters Analysis, Hardship Differential, Education, and Cost of Living), is currently scheduled to be deployed in December 2007. ALS continues to maintain management disciplines to increase the probability of success for the project. ALS is following a clearly defined methodology for requirements change control, advocacy/stakeholder involvement, alternatives analysis, business process reengineering, and project controls. To proactively manage risks, a risk and schedule meeting is held each week.	
9. Did the Agency's Executive / Investment Committee approve this request?	Yes
a. If "yes," what was the date of this approval?	8/4/2006
10. Did the Project Manager review this Exhibit?	Yes
12. Has the agency developed and/or promoted cost effective, energy efficient and environmentally sustainable techniques or practices for this project.	Yes
a. Will this investment include electronic assets (including computers)?	Yes

b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	No
1. If "yes," is an ESPC or UESC being used to help fund this investment?	
2. If "yes," will this investment meet sustainable design principles?	
3. If "yes," is it designed to be 30 % more energy efficient than relevant code?	
13. Does this investment support one of the PMA initiatives?	Yes
If "yes," check all that apply:	Human Capital, Expanded E-Government
13a. Briefly describe how this asset directly supports the identified initiative(s)?	The eAllowances Project will provide allowances data in an efficient manner to both USG agencies and employees and to U.S. citizens that rely on DoS ALS for allowance information through the use of electronic technologies while helping to sustain a high-performing workforce throughout the government and at posts abroad. The eAllowances Project supports Government-to-Citizens (G2C), Government-to-Business (G2B), and Intergovernmental: Internal Efficiency and Effectiveness (IEE).
14. Does this investment support a program assessed using the Program Assessment Rating Tool (PART)? (For more information about the PART, visit www.whitehouse.gov/omb/part.)	No
a. If "yes," does this investment address a weakness found during the PART review?	No
b. If "yes," what is the name of the PART program assessed by OMB's Program Assessment Rating Tool?	
c. If "yes," what PART rating did it receive?	
15. Is this investment for information technology?	Yes
If the answer to Question: "Is this investment for information technology?" was "Yes," complete this sub-section. If the answer is "No," do not answer this sub-section.	
For information technology investments only:	
16. What is the level of the IT Project? (per CIO Council PM Guidance)	Level 2
17. What project management qualifications does the Project Manager have? (per CIO Council PM Guidance):	(1) Project manager has been validated as qualified for this investment
18. Is this investment identified as "high risk" on the Q4 - FY 2006 agency high risk report (per OMB's "high risk" memo)?	No
19. Is this a financial management system?	No
a. If "yes," does this investment address a FFMIA compliance area?	No
1. If "yes," which compliance area:	
2. If "no," what does it address?	
b. If "yes," please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A-11 section 52	

20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100 %)

Hardware	0
Software	60
Services	40
Other	0
21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?	Yes
23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?	Yes

I.D. Performance Information

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

Performance Information Table 1:

Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
2003	Management and Organizational Excellence - Ensure a high quality workforce supported by modern and secure infrastructure and operational capacities	Reduce the number of Post Differential questions to 55	80 Responses	Number of Post Differential Survey questions to be completed by DoS post personnel	The number of questions was reduced to below 55
2004	Management and Organizational Excellence - Ensure a high quality workforce supported by modern and secure	Increase the percentage of new Per Diem form from 0% to 70%	100%	Percentage of submissions using the new Per Diem form	The percentage of submissions using the new Per Diem form increased to over 70%

	infrastructure and operational capacities				
2004	Management and Organizational Excellence - Ensure a high quality workforce supported by modern and secure infrastructure and operational capacities	100% of Living Quarters Allowance submissions using form to process reengineering - reduce by 10%	100%	Time required to review Living Quarters Allowances	Reduced the amount of time required for completing and analyzing Living Quarters Allowances by 10%
2005	Management and Organizational Excellence - Ensure a high quality workforce supported by modern and secure infrastructure and operational capacities	Reduce time required for Per Diem training for new staff from 60 days to 30 days	60 Days	Duration of Per Diem training for new ALS staff	ALS has not hired new staff and therefore training time for new staff cannot yet be measured. Current staff states that it takes 50% less time to learn to use eAllowances per diem module than the current AIS system.

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Performance Information Table 2:

Fiscal Year	Measurement Area	Measurement Category	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
2006	Customer Results	Service Accessibility	Availability	Availability of automated help for the Per Diem function.	No Per Diem help is accessible electronically.	Automation: Increase the automated per diem help function to the users. Increase the availability of electronic help embedded in the application (for per diem) to 100%.	Online Help is 100% available to eAllowances Per Diem users. Updates to Online Help will be made as comments/suggestions to tailor the Help function and better meet eAllowances User needs are received from users.
2006	Mission and Business Results	Information and Technology Management	IT Infrastructure Maintenance	% reduction of manually validated Per Diem data.	Currently 100% of per diem data is manually validated.	Reduce the percentage of Per Diem data manually validated to 30%.	Currently ALS calculates 78% of Per Diem rates for the posts are manually validated. As Per Diem survey submissions increases, ALS feels assured that eAllowances will be the sole source of validation.
2006	Processes and Activities	Productivity and Efficiency	Productivity	% reduction in offline calculations and workarounds.	50% of allowances analyses requires offline calculations and workarounds due to the current system's limitation.	Reduce to 25% by using the new system. Productivity: Increase productivity by reducing manual calculations and unnecessary work-arounds.	Less than 25% of calculations have been required to be done offline thus far due to the new system. New system is used at times to verify data calculated in old system.
2006	Technology	Quality	Compliance and Deviations	% of satisfied Phase 2 Pilot users.	To be established.	To be determined once baseline is established.	TBD - Due to schedule rebaseline in May 2006, Phase 2 Pilot will be deployed in 2007. Thus 0% of users have evaluated the Phase 2 functionality.

2007	Customer Results	Service Accessibility	Automation	% of manually entered Post Hardship Differential data.	100% of Post Hardship Differential data is manually entered into the current system by ALS staff.	Automation: Reduce manual data entry through the use of automation. Reduce to 20% using the new system.	TBD
2007	Customer Results	Service Accessibility	Automation	Number of data transmit formats	The only format currently available to transmit data to the DoS financial center is by cable and in a flat file to DoD, which is then hand keyed into their databases. Other agencies also hand key in allowances data. No other option is available.	Increase to two formats - the requirements for the new system will provide at least 2 electronic, standard formats that will integrate with the financial center, DoD and other USG agency databases.	TBD
2007	Customer Results	Service Accessibility	Automation	% of paper submission to ALS.	95% of all allowances surveys are submitted to ALS in paper format.	Reduce the number of paper submissions to ALS to 20% or less - submissions will be primarily electronic and will automatically populate the new ALS system.	TBD
2007	Mission and Business Results	Information and Technology Management	Information Management	% of allowances data available electronically.	0% of published allowances data is posted (accessible by government personnel and U.S. citizens) using a fully automated process.	Increase the percentage of fully automated publication of allowances data to 100%.	TBD
2007	Processes and Activities	Productivity and Efficiency	Productivity	% reduction in offline calculations and workarounds.	50% of allowances analyses requires offline calculations and workarounds due to the current system's limitation.	Reduce to 10% by using the new system. Productivity: Increase productivity by reducing manual calculations and unnecessary work-arounds.	TBD
2007	Technology	Efficiency	Response Time	% reduction in processing time.	Processing time at ALS using the current system for data entry, analysis, and publication of allowance and differential data takes 15 days.	Reduce processing time to 10 days using the new system.	TBD
2007	Technology	Information and Data	Data Reliability and Quality	% calculation errors using eAllowances.	20% of allowances calculations contain errors resulting from the current system integrity issues.	Reduce to 0% using the new system. Data Reliability and Quality: Increase the reliability and accuracy of calculations through the elimination of the current system integrity problems.	TBD
2008	Customer Results	Service Accessibility	Automation	% reduction in paper submission to ALS.	25% of all allowances surveys are submitted to ALS in paper format.	Reduce the number of paper submissions to ALS to 5% or less.	TBD
2008	Mission and Business Results	Information and Technology Management	System Maintenance	% of time the system is available.	Per Diem module has been available over 90% of the time since deployment. Remaining modules of	Increase to 99%+ through scheduled maintenance in order to minimize likelihood of outages during operating	TBD

					eAllowances system have yet to be deployed.	hours.	
2008	Processes and Activities	Productivity and Efficiency	Efficiency	% reduction in offline calculations and workarounds.	10% of allowances analyses requires offline calculations and workarounds due to the current system's limitation.	Reduce to 0% by using the new system. Productivity: Increase productivity by eliminating manual calculations and unnecessary work-arounds.	TBD
2008	Technology	Effectiveness	User Satisfaction	% reduction in manually entered data for all allowances available through eAllowances system.	78% of Per Diem allowance and 100 percent of remaining allowance data is manually entered into the current system by ALS staff.	An effective system will increase likelihood of user satisfaction, leading to a reduction in manual data entry through the use of automation. Reduce to less than 20% of manual entry.	TBD

I.E. Security and Privacy

In order to successfully address this area of the business case, each question below must be answered at the system / application level, not at a program or agency level. Systems supporting this investment on the planning and operational systems security tables should match the systems on the privacy table below. Systems on the Operational Security Table must be included on your agency FISMA system inventory and should be easily referenced in the inventory (i.e., should use the same name or identifier).

All systems supporting and/or part of this investment should be included in the tables below, inclusive of both agency owned systems and contractor systems. For IT investments under development, security and privacy planning must proceed in parallel with the development of the system /s to ensure IT security and privacy requirements and costs are identified and incorporated into the overall lifecycle of the system /s.

Please respond to the questions below and verify the system owner took the following actions:

1. Have the IT security costs for the system(s) been identified and integrated into the overall costs of the investment:	Yes
a. If "yes," provide the "Percentage IT Security" for the budget year:	2
2. Is identifying and assessing security and privacy risks a part of the overall risk management effort for each system supporting or part of this investment.	Yes
5. Have any weaknesses related to any of the systems part of or supporting this investment been identified by the agency or IG?	No
a. If "yes," have those weaknesses been incorporated agency's plan of action and milestone process?	No
6. Indicate whether an increase in IT security funding is requested to remediate IT security weaknesses?	No
a. If "yes," specify the amount, provide a general description of the weakness, and explain how the funding request will remediate the weakness.	

8. Planning & Operational Systems - Privacy Table:

Name of System	Is this a new system?	Is there a Privacy Impact Assessment (PIA) that covers this system?	Is the PIA available to the public?	Is a System of Records Notice (SORN) required for this system?	Was a new or amended SORN published in FY 06?
eAllowances	Yes	Yes.	Yes.	Yes	No, because the existing Privacy Act system of records was not substantially revised in FY 06.

I.F. Enterprise Architecture (EA)

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture? Yes

a. If "no," please explain why?

2. Is this investment included in the agency's EA Transition Strategy? Yes

a. If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment. A/OPR E-Allowances

b. If "no," please explain why?

3. Service Reference Model (SRM) Table:

Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <http://www.whitehouse.gov/omb/egov/>.

Agency Component Name	Agency Component Description	Service Domain	FEA SRM Service Type	FEA SRM Component	FEA Service Component Reused Name	FEA Service Component Reused UPI	Internal or External Reuse?	BY Funding Percentage
Data Exchange	Support the interchange of information between multiple systems or applications; includes verification that transmitted data was received unaltered	Back Office Services	Data Management	Data Exchange	Data Exchange	014-00-01-05-02-1209-00-404-138	Internal	5
Data Recovery	Support the restoration and stabilization of data sets to a consistent, desired state	Back Office Services	Data Management	Data Recovery	Data Recovery	014-00-01-05-02-1209-00-404-138	Internal	1
Extraction and Transformation	Support the manipulation and change of data	Back Office Services	Data Management	Extraction and Transformation			No Reuse	12
Loading and Archiving	Support the restoration and stabilization of	Back Office	Data	Loading and	Loading and	014-00-01-05-	Internal	2

	data sets to a consistent, desired state	Services	Management	Archiving	Archiving	02-1209-00-404-138		
Data Integration	Support the organization of data from separate data sources into a single source using middleware or application integration as well as the modification of system data models to capture new information within a single system	Back Office Services	Development and Integration	Data Integration			No Reuse	1
Legacy Integration	Support the communication between newer generation hardware/software applications and the previous, major generation of hardware/software applications	Back Office Services	Development and Integration	Legacy Integration			No Reuse	1
Currency Translation	Support the calculations and difference between multiple mediums of exchange	Back Office Services	Financial Management	Currency Translation			No Reuse	5
Ad Hoc	Reports that are generated by a user to provide specific pieces of information on an as-needed basis	Business Analytical Services	Reporting	Ad Hoc			No Reuse	1
Standardized/Canned	Support the use of pre-conceived or pre-written reports	Business Analytical Services	Reporting	Standardized / Canned			No Reuse	5
Business Rule Management	Manage the enterprise processes that support an organization and its policies	Business Management Services	Management of Processes	Business Rule Management			No Reuse	5
Program/Project Management	Manage and control a particular effort of an organization	Business Management Services	Management of Processes	Program / Project Management			No Reuse	3
Personalization	Change a user interface and how data is displayed	Customer Services	Customer Preferences	Personalization			No Reuse	1
Surveys	Are used to collect useful information from an organization's customers	Customer Services	Customer Relationship Management	Surveys			No Reuse	5
Document Conversion	Support the changing of files from one type of format to another	Digital Asset Services	Document Management	Document Conversion			No Reuse	1
Document Referencing	Support the redirection to other documents and information for related content	Digital Asset Services	Document Management	Document Referencing			No Reuse	4
Document Review and Approval	Support the editing and commendation of documents before releasing them	Digital Asset Services	Document Management	Document Review and Approval			No Reuse	3
Indexing	Support the rapid retrieval of documents through a structured numbering construct	Digital Asset Services	Document Management	Indexing			No Reuse	2
Information Mapping/Taxonomy	Support the creation and maintenance of relationships between data entities, naming standards and categorization	Digital Asset Services	Knowledge Management	Information Mapping / Taxonomy			No Reuse	8
Information Retrieval	Allow access to data and information for use by an organization and its stakeholders	Digital Asset Services	Knowledge Management	Information Retrieval			No Reuse	2
Information Sharing	Support the use of documents and data in	Digital Asset	Knowledge	Information			No Reuse	2

	a multi-user environment for use by an organization and its stakeholders	Services	Management	Sharing				
Knowledge Capture	Facilitate collection of data and information	Digital Asset Services	Knowledge Management	Knowledge Capture	Knowledge Capture	014-00-01-05-02-1209-00-404-138	Internal	15
Document Retirement	Support the termination or cancellation of documents and artifacts used by an organization and its stakeholders	Digital Asset Services	Records Management	Document Retirement			No Reuse	2
Record Linking/Association	Support the correlation between logical data and information sets	Digital Asset Services	Records Management	Record Linking / Association	Record Linking / Association	014-00-01-05-02-1209-00-404-138	Internal	6
Process Tracking	Allow the monitoring of activities within the business cycle	Process Automation Services	Tracking and Workflow	Process Tracking			No Reuse	3
Task Management	Support a specific undertaking or function assigned to an employee	Support Services	Collaboration	Task Management			No Reuse	3
Access Control	The system is role based and has a set of capabilities that support the administration of computer, application and network accounts within the organization	Support Services	Security Management	Access Control	Access Control	014-00-01-05-02-1209-00-404-138	Internal	0
Audit Trail Capture and Analysis	Support the identification and monitoring of activities within an application, system, or network	Support Services	Security Management	Audit Trail Capture and Analysis	Audit Trail Capture and Analysis	014-00-01-05-02-1209-00-404-138	Internal	0
Software Distribution	Support the propagation, installation and upgrade of written computer programs, applications and components	Support Services	Systems Management	Software Distribution			No Reuse	2

Use existing SRM Components or identify as "NEW". A "NEW" component is one not already identified as a service component in the FEA SRM.

A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

'Internal' reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. 'External' reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

4. Technical Reference Model (TRM) Table:

To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard	Service Specification (i.e. vendor or product name)
-------------------	----------------------	--------------------------	--------------------------	---

Document Retirement	Component Framework	Business Logic	Platform Independent	Java Applet
Task Management	Component Framework	Business Logic	Platform Independent	Java Applet
Document Review and Approval	Component Framework	Business Logic	Platform Independent	Java Applet
Information Retrieval	Component Framework	Business Logic	Platform Independent	Java Applet
Process Tracking	Component Framework	Business Logic	Platform Independent	Java Applet
Business Rule Management	Component Framework	Business Logic	Platform Independent	Java Applet
Information Mapping / Taxonomy	Component Framework	Business Logic	Platform Independent	Java Applet
Document Retirement	Component Framework	Business Logic	Platform Independent	SQL
Information Retrieval	Component Framework	Business Logic	Platform Independent	SQL
Document Conversion	Component Framework	Data Interchange	Data Exchange	Java Applet
Indexing	Component Framework	Data Management	Database Connectivity	Java Applet
Indexing	Component Framework	Data Management	Database Connectivity	SQL
Ad Hoc	Component Framework	Data Management	Reporting and Analysis	Java Applet
Ad Hoc	Component Framework	Data Management	Reporting and Analysis	SQL
Currency Translation	Component Framework	Presentation / Interface	Static Display	Java Applet
Personalization	Component Framework	Presentation / Interface	Static Display	Java Applet
Document Referencing	Component Framework	Presentation / Interface	Static Display	Java Applet
Document Referencing	Component Framework	Presentation / Interface	Static Display	SQL
Access Control	Component Framework	Security	Supporting Security Services	Java Applet
Audit Trail Capture and Analysis	Component Framework	Security	Supporting Security Services	Java Applet
Legacy Integration	Service Access and Delivery	Access Channels	Other Electronic Channels	Java Applet
Extraction and Transformation	Service Interface and Integration	Integration	Enterprise Application Integration	Java Applet
Data Integration	Service Interface and Integration	Integration	Enterprise Application Integration	Java Applet
Standardized / Canned	Service Interface and Integration	Interoperability	Data Types / Validation	XML Schema
Process Tracking	Service Platform and Infrastructure	Software Engineering	Modeling	Case Management
Business Rule Management	Service Platform and Infrastructure	Software Engineering	Modeling	Unified Modeling Language (UML)
Business Rule Management	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Change Management
Software Distribution	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Deployment Management
Audit Trail Capture and Analysis	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Issue Management
Business Rule Management	Service Platform and Infrastructure	Software Engineering	Test Management	Business Cycle Testing

Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM

Components supported by multiple TRM Service Specifications

In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

Yes

a. If "yes," please describe.

The eAllowances system is going to be integrated with Web.PASS and is designed to the Web.PASS specifications. As part of the Web.PASS suite, eAllowances utilizes many of the security controls offered under the protection of Web.PASS in areas such as data recovery and access control. The eAllowances system will also leverage existing hardware (including networking components) provided by IRM.

6. Does this investment provide the public with access to a government automated information system?

No

a. If "yes," does customer access require specific software (e.g., a specific web browser version)?

1. If "yes," provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).

Exhibit 300: Part II: Planning, Acquisition and Performance Information

II.A. Alternatives Analysis

Part II should be completed only for investments identified as "Planning" or "Full Acquisition," or "Mixed Life-Cycle" investments in response to Question 6 in Part I, Section A above.

In selecting the best capital asset, you should identify and consider at least three viable alternatives, in addition to the current baseline, i.e., the status quo. Use OMB Circular A- 94 for all investments, and the Clinger Cohen Act of 1996 for IT investments, to determine the criteria you should use in your Benefit/Cost Analysis.

1. Did you conduct an alternatives analysis for this project?

Yes

a. If "yes," provide the date the analysis was completed?

6/20/2003

b. If "no," what is the anticipated date this analysis will be completed?

c. If no analysis is planned, please briefly explain why:

3. Which alternative was selected by the Agency's Executive / Investment Committee and why was it chosen?

Alternative 2 - New Development was chosen. On April 8, 2003, a CFT meeting was held to make a decision on an eAllowances alternative. A final decision was made to select the new development alternative. This alternative provided the optimal solution given the risk and cost benefit analysis. The conservative, risk adjusted ROI for new development is projected to be 1.37. The AIS (current system) overhaul alternative was eliminated primarily for the following reasons: 1) Extensive changes will be required to AIS to meet the requirements in the eAllowances SRS 2) The AIS system is not compatible with the Web PASS architecture 3) Based on cost estimates, the AIS overhaul option does not offer any significant cost savings over the new development option. The COTS alternative was eliminated primarily for the following reasons: 1) The ALS business process for collecting and processing allowances is unique, with Nearly 50 percent of requirements requiring COTS configuration 2) ALS staff expressed concern over some of the risks associated with a COTS solution, which include the risk that COTS tool constraints will force undesired business process changes, the risk of COTS tool integration problems, and the risk that the vendor may go out of business 3) Based on discussions with the PASS technical manager, integration of a COTS solution with Web PASS may be expensive or may not even be possible, depending on the underlying architecture of the COTS product 4) When long-term license fees and the cost of COTS configuration and customization are included, the COTS option is the most expensive. The Status Quo alternative was eliminated primarily for the following reasons: 1) Numerous resource-intensive workarounds are currently required to accurately calculate the allowances and produce the necessary reports 2) The data collection for allowances at Posts is not automated or standardized 3) Allowance data delivered to ALS is re-keyed into the existing system because there is no capability for electronic transfer of data directly into the system.

4. What specific qualitative benefits will be realized?

Custom development provides a system that meets the requirements exactly as stated in the SRS. Less than 20 percent of the SRS requirements are satisfied by the AIS system as it exists. Developers design the system to business needs rather than the constraints of COTS or an existing system. Similarly, the user interface can be developed to meet the specific needs of the users. With increased automation and the removal of workaround practices for the current system alleviates the burden on analysts at the Office of Allowances. Custom interfaces can be developed to send and receive data to and from other systems. This all leads to overall enhanced productivity. In addition, custom development allows for a system that can fall under the Web PASS suite of applications. PASS allows for users overseas to access department applications through a single point of entry. This provides users overseas to have the capability to directly submit surveys electronically, ensuring quicker analysis and response from the Office of Allowances. In order for the existing AIS system to provide this same level of increased service, it would have to be completely re-coded according to the PASS technical manager, as it is not currently compatible with the Web PASS architecture, whereas a new system can be developed in accordance with the PASS standards. The current Allowance Information System (AIS) requires labor-intensive work-arounds and manual calculations due to data output integrity problems. The new system will offer auto-validation capabilities which will greatly reduce the amount of time spent going back and forth between the ALS office and post users with surveys that have been improperly submitted. Above all, the e-Allowances system reduces the time it takes for U.S. government employees to provide input to various surveys collected. The AIS system requires processes which are manual and frequently require rework (corrections, manual calculations, validation, etc). The automated system allows employees to enter data in the required format and provides automated validation during survey entry, and prior to submission, greatly decreasing the probability of errors occurring.

II.B. Risk Management

You should have performed a risk assessment during the early planning and initial concept phase of this investment's life-cycle, developed a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

1. Does the investment have a Risk Management Plan?	Yes
a. If "yes," what is the date of the plan?	7/1/2005
b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?	No

c. If "yes," describe any significant changes:

2. If there currently is no plan, will a plan be developed?	
a. If "yes," what is the planned completion date?	
b. If "no," what is the strategy for managing the risks?	

3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule:

The Life cycle cost estimate is risk adjusted to account for currently identified program risks and also takes into account the likelihood that additional risks will materialize throughout the project life cycle. The project schedule is based on a conservative estimate of the time required to maintain the Per Diem allowance deployed during Phase 1 of the project and implement the remaining allowances within the system during Phase 2. A detailed analysis of the program's subtasks that takes into account lessons learned was conducted by management and subject matter experts to assess the current and future level of effort required to meet the investment's objectives. This more conservative approach uses realistic expectations, rather than best case scenarios to develop the investment's budget and schedule.